



Office of the City Manager

MEMORANDUM

Date: May 8, 2009
To: Mayor and City Council
Through: Charles McNeely, City Manager
From: Maureen McKissick, Grant and Fund Development Manager
Subject: Updates re the American Recovery and Reinvestment Act (ARRA) of 2009

Law Enforcement

The U.S. Department of Justice received 7,268 applications through the ARRA COPS Hiring Grant Program. The 7,268 applications are for 39,314 sworn officer positions. The applications represent a total of \$8.342 billion in funding requests for the \$1 billion in available funding.

As reported in the ARRA memo to Council on April 22, 2009, the Reno Police Department (RPD) submitted a COPS Hiring Grant application in the amount of \$2,692,960 for three years for 10 sworn officers. Although historically RPD's applications to the Justice Department have been very successful, it is difficult to predict the outcome of the City's application under ARRA circumstances. Staff expects the Justice Department's decision by August.

Energy

By the time Council meets on May 13, the Nevada State Energy Office will have submitted the proposed Nevada State Energy Program (SEP) to the U.S. Department of Energy (DOE). The SEP, once accepted by DOE, will be the framework for the distribution of the \$34.7 million that Nevada will be receiving through the ARRA. Staff has been eager to review the SEP in order to determine whether the eligibility criteria are aligned with potential City projects. We will keep Council informed as we obtain information.

Arts

The National Endowment for the Arts (NEA) has awarded the Nevada Arts Council \$300,500 in ARRA competitive funds. Nationally, the NEA distributed \$19,799,900 in competitive awards to

63 organizations. The Nevada Arts Council was the only organization in Nevada to receive an NEA award. The Nevada Arts Council will distribute the additional \$300,500 through a statewide competitive-application process. The City intends to submit an application and is currently strategizing the nature of the request.

Transportation

The Nevada Department of Transportation (NDOT) estimates that it has a “pot” of +\$6 million through the 10% set-aside from the ARRA Surface Transportation Program. The set-aside has historically been distributed through the Transportation Enhancement Act (TEA-21) process, a program through which the City has received funding for trail and street enhancement projects.

NDOT plans to use approximately \$3 million of the ARRA funds to continue the restoration of the V&T Railroad from Carson City to Virginia City. This will leave approximately +\$3 million for statewide distribution. NDOT is currently finalizing the distribution mechanism, but expects that there will be a competitive-application process. At this writing, no time frames are in place.

Weatherization

The Nevada Division of Housing recently awarded an ARRA weatherization grant of approximately \$2 million to the Community Services Agency (CSA). The funds will be used to implement a residential weatherization program in Washoe and rural Northern Nevada Counties.

The award has been legally challenged by the Rural Nevada Housing Authority on the basis that CSA was given preferential treatment. Council should be apprised that the Nevada Division of Housing had awarded a similar weatherization grant to CSA in 2007, but revoked it because of CSA’s mismanagement of grant funds. Staff is closely following this situation and will keep Council updated.

Broadband

The National Telecommunication and Information Administration (NTIA) has not released its funding guidelines for the distribution of the \$4.7 billion that is available nationally through competitive applications. Based on past RFP’s and guidelines, however, the State of Nevada has begun collecting applications for the implementation of various broadband and cable infrastructure improvements. To date, there have been 3 applications submitted from local governments and 6 from private providers. The City of Reno, RTC, TMWA, UNR, TMCC, WCSD, Washoe County, Sparks and several rural communities submitted a collaborative application for \$10 million for expanding the regional wireless network. The application included:

- Approximately \$3 million for free wireless cards for citizens
- 10 training centers with access to the technology
- 1500 Netbook computers to underserved communities
- Online training materials
- Management costs of the expanded network

The applications cannot proceed without the NTIA guidelines, but it is notable that the application the City participated in was the only collaborative submitted to the State. In addition to the ARRA opportunity, staff in IT continues to explore other competitive wireless grants.

Neighborhood Stabilization Program (NSP)

On May 4, the U.S. Department of Housing and Urban Development (HUD) issued two Notices of Fund Availability for ARRA-NSP program funding, dubbed NSP2. (NSP1 was created by the Bush Administration in Fall 2008.) There will be two competitive grant rounds within NSP2.

Under the first round, states, local governments and non-profit housing developers will compete for up to \$1.93 billion to carry out neighborhood stabilization programs to combat the effects of home foreclosures. Eligible activities include land acquisition, demolition or rehabilitation of abandoned properties, and down payment and closing cost assistance to low- and middle-income homebuyers. Grantees can also create land banks that can gather foreclosed properties, manage them, and ultimately resell them. Applications for these NSP2 funds will be due July 17, 2009. The City intends to submit an application and is currently strategizing the nature of the request.

Under a separate technical assistance round, applicants will compete for \$50 million to provide technical assistance, including capacity building of local communities receiving NSP1 or any entity receiving NSP2 funding to carry out neighborhood stabilization. Applications for NSP2 technical assistance will be due June 8, 2009.